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STATE DOCUMENTS

1974

STATE OF MONTANA DEPARTMENT OF AGRICULTURE BOARD OF HAIL INSURANCE

George Lackman
Commissioner of Agriculture
Maurice Smith
Administrator

FEB 19 1975



JAMES W. STEPHENS (CHAIRMAN)
DUTTON, MONTANA 59433

ADRIEN R. LONG
WOLF POINT, MONTANA 59201

THOMAS A. DEVENY
FORSYTH, MONTANA 59327

HOLLIS G. CONNORS
STATE TREASURER
HELENA, MONTANA 59601

Governor
Thomas L. Judge

BUSINESS SUMMARY FOR 1974

Total Risk Written	\$15,006,883.39
Premium Charge	1,310,918.76
Losses Paid	804,895.40
Policies Issued	3,051
Acres Insured	1,348,014.2
Average Acres Insured Per Policy ..	441.8
Acres Reported Damaged	143,871.7
Losses Filed	578
Days With Hail	39
Loss Ratio	61.3%
Average Rate Charged	8.7%

CAREFULLY STUDY THE STIPULATIONS AND AGREEMENTS ON THE BACK OF YOUR POLICY

In case of a hail loss on your insured fields, take time to inspect your entire acreage so you will know where the loss is located. File a loss claim within the three day limit. Claims cannot be accepted that are filed without the claimant's signature or are filed later than two weeks after the loss occurred. If notice of the loss is not received within three (3) days the cost of the adjustment may, at the discretion of the Board, be charged to the claimant. Be sure to read the "Special Instructions" attached to your loss claim.

Please see that the acres and land description on your loss claim correspond to those on your policy.

Any agreements on adjusting must be cleared by writing the State Board of Hail Insurance, Helena, Montana. Adjusters are not authorized to make deals with the claimant.

In case a loss is located in more than one County, a loss claim must be filed for each County.

When the adjuster comes, accompany him over your fields so there will be no misunderstanding.

MONTANA STATE LIBRARY

930 East Lyndale Avenue

Helena, Montana 59601

REPORT OF THE 1974 OPERATION OF THE STATE BOARD OF HAIL INSURANCE TO OUR GRAIN GROWERS

As required by Section 82-1519, R. C. M. 1947, and as a matter of information a report of the 1974 season is hereby submitted.

TOTAL RISK BY KINDS OF GRAIN — 1974

Winter Wheat	\$ 9,029,523.10
Spring Wheat	3,802,651.40
Oats	184,986.00
Flax	3,774.00
Barley	1,697,638.89
Rye	4,424.00
Beans	2,958.00
Triticale	4,572.00
Durum	187,800.00
Safflower	31,444.00
Corn	9,520.00
Beets	2,760.00
Alfalfa Seed	4,140.00
Wheat Grass	8,412.00
Mustard	17,628.00
Peas	2,280.00
Hay	11,880.00
Crambe	492.00
	\$15,006,883.39

TOTAL ACRES INSURED — 1974

Winter Wheat	797,690.4
Spring Wheat	338,302.7
Oats	15,528.0
Flax	517.0
Barley	171,789.1
Rye	435.0
Beans	238.0
Triticale	381.0
Durum	15,906.0
Safflower	2,631.0
Corn	684.0
Beets	156.0
Alfalfa Seed	345.0
Wheat Grass	701.0
Mustard	1,489.0
Peas	190.0
Hay	990.0
Crambe	41.0
	1,348,014.2

ACRES DAMAGED

Winter Wheat	72,061.5
Spring Wheat	43,296.1
Barley	25,107.6
Oats	1,410.0
Safflower	176.0
Durum	862.5
Mustard	455.0
Wheat Grass	313.0
Peas	190.0
	143,871.7

HAIL STORMS FOR 1974

Golden Valley County reported the first hail damage June 6 and Valley County reported the final loss September 15. The month of July had the most days of hail with 15. Several areas were hit more severe than normal.

ADJUSTMENT OF LOSSES

Loss claims received numbered 577. Our thanks and appreciation to our adjusters, participating County Assessors and Treasurers in writing State Hail Insurance and assisting state policyholders.

REFUND FOR 1974

29% or approximately \$380,177.00 will be pro rated on paid State Hail policies. Loss ratio of over 60% accounts for this amount to be refunded.

LATE LOSSES

Loss claims received after October 1 will no longer be accepted. This policy was made because of the difficulty in adjusting after this date. Report your loss promptly.

DOUBLE HAIL INSURANCE

To avoid any misunderstanding when insured with the State and an independent insurance company, always send in a loss claim to both.

PAYMENTS TO COUNTIES AND STATE

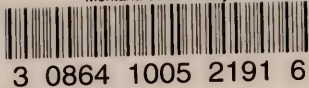
Section 82-1511 R.C.M. 1947 provides a payment of 1% of the gross annual levies collected in individual counties to be made to the County Treasurer and 2% to the State Treasurer. Approximate payments of \$13,109.18 will be pro rated to the various counties participating in the State Hail Insurance Act. Payments to the State Treasurer are anticipated at \$26,218.36.

INVESTMENTS

Amount		Int. Rate	Mat. Date	Interest Received
\$ 450,000.00	FLB	5 $\frac{3}{8}$	7/22/76	\$24,187.50
200,000.00	FLB	6 $\frac{3}{4}$	10/20/77	12,700.00
200,000.00	First Westside Bank, Gt. Falls	8 $\frac{3}{4}$	4/18/75	14,500.00
350,000.00	Firestone Tire & Rubber	7 $\frac{1}{3}$	10/15/01	25,550.00
\$1,200,000.00				\$76,937.50



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1974 SUMMARY — RISK, LEVY & LOSS RATIOS

County	1974 Risk	1974 Levy	1974 Losses	Risk vs. Loss Ratio	Levy vs. Loss Ratio
Big Horn	\$ 330,348.00	\$ 32,913.27	\$ 1,306.94	.39%	3.9 %
Blaine	563,580.50	57,780.67	3,652.54	.64%	6.3 %
Carbon	8,668.00	687.21	915.36	10.5 %	133.2 %
Carter	57,510.00	5,857.39			
Cascade	50,674.80	3,581.52	148.80	.29%	4.13%
Chouteau	1,373,497.70	98,032.59	83,912.83	6.1 %	85.5 %
Custer	17,028.00	1,702.80			
Daniels	686,017.00	54,310.30	2,075.18	.3 %	3.8 %
Dawson	474,632.79	47,315.37	10,581.41	2.2 %	22.3 %
Fallon	519,594.00	52,329.88	1,079.68	.2 %	2.0 %
Fergus	860,094.00	80,107.52	179,937.94	20.9 %	224.6 %
Garfield	296,047.50	27,263.40	32,678.48	11.0 %	119.8 %
Glacier	106,842.00	7,027.69	4,794.31	44.0 %	68.2 %
Golden Valley	76,575.00	7,602.99	737.48	.96%	9.6 %
Hill	940,070.00	75,000.87	33,593.97	3.5 %	44.7 %
Judith Basin	566,752.26	52,503.76	155,429.28	27.4 %	296.0 %
Lewis & Clark	1,710.00	103.20			
Liberty	874,803.00	71,178.56	52,700.02	60.2 %	74.0 %
McCone	1,542,968.00	154,305.56	46,949.21	3.0 %	30.4 %
Musselshell	8,383.00	997.16	2,800.13	33.4 %	280.8 %
Petroleum	570.00	43.78			
Phillips	382,466.76	31,550.84	17,449.55	4.5 %	55.3 %
Pondera	293,118.00	19,151.30	11,781.04	4.0 %	61.5 %
Powder River	178,352.00	17,785.83	248.64	.14%	1.3 %
Prairie	210,904.00	20,920.36	9,609.76	4.5 %	45.9 %
Richland	1,016,239.08	102,410.29	14,505.82	1.4 %	14.1 %
Roosevelt	487,312.00	38,447.55	31,232.36	6.4 %	81.2 %
Rosebud	45,697.40	4,249.49	331.26	.7 %	7.7 %
Sheridan	1,250,478.00	98,922.58	3,806.70	.3 %	3.8 %
Stillwater	85,586.00	7,779.76			
Teton	649,309.00	40,345.58	17,835.25	2.7 %	44.2 %
Toole	289,026.00	24,166.84	23,061.56	7.9 %	95.4 %
Treasure	14,323.20	1,429.46			
Valley	470,524.00	47,147.49	27,983.50	5.9 %	59.3 %
Wheatland	61,834.00	6,190.08	30,491.60	49.3 %	492.5 %
Wibaux	175,894.40	15,824.93	657.12	.3 %	4.1 %
Yellowstone	39,454.00	3,950.89	2,607.68	6.6 %	66.0 %
TOTALS	\$15,006,883.39	\$1,310,918.76	\$804,895.40	5.36%	61.3 %

57 YEAR SUMMARY

Total Risk Written	\$1,749,342,918.00
Premium Charge	22,072,212.76
Losses Paid	15,385,696.40
Policies Issued	109,683
Total Acres Insured	24,828,843.2
Average Acres Per Policy	226.3
Loss Ratio	69.7 %
Number of Losses Paid	22,461

EXPENDITURES FOR 1973-1974

Personal Service	\$ 54,252.09
Operations	8,229.13
Refunds and Losses	1,007,443.35
Payments to County and State Treasurer	31,757.50
TOTAL EXPENDED	\$1,101,682.07

FUND BALANCES

Hail Insurance Agency Account	\$ 317,556.50
Hail Insurance Administrative Account	66,554.00

HOW TO GET STATE HAIL INSURANCE

APPLY TO THE ASSESSOR OF THE COUNTY IN WHICH YOUR GRAIN IS GROWING

Any Owner of Mortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A policy will be issued and a lien on his crop will be filed with the clerk and recorder.

Any Owner of Unmortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A lien will not be filed with the county clerk and recorder.

Any tenant desiring hail insurance may secure it by contacting his county assessor. The policy will be approved on a personal assessment basis and an attached lien on his crop will be filed with the county clerk and recorder. This lien will be a first lien on the crop except for one given for the purchase of seed used in planting and producing the insured grain.

Any Tenant who owes for delinquent hail insurance will not receive further hail insurance unless he pays cash for it or unless he pays the delinquent account.

No hail insurance may be charged to any land without the owner's consent. Also no hail insurance may be charged to any lands other than those on which the crops to be insured are growing.

A hail insurance lien is the first lien on all insured crops. Except liens given for the purchase of seed used to plant the insured crops.

4% Discount Will be Given Those Who Pay Cash for Their Hail Insurance. For example, if the regular premium figures \$100 and the applicant offers cash for the hail insurance, the county assessor will receive \$96 as full payment.

When To Insure. Experience shows that placing hail insurance on growing crops should not be done until they show a reasonable chance of producing a fair return. No allowance will be made for hail damage on any grain until at least 75% of the plants are plainly stemming. Damage early in the hail season is difficult to estimate and adjustment may be delayed until the extent of the damage may be better estimated. No policies will be issued after August 15th.

How Much Hail Insurance Per Acre. All non-irrigated grain may be insured for not more than \$12 except barley and rye which is limited to \$10. Irrigated grain is limited to not more than \$24 except Barley and Rye which is limited to \$20.

Hail Insurance on Special Crops. Not more than the amounts shown below may be carried per acre on the crops listed:

Irrigated beans, peas, potatoes, corn, mustard and alfalfa seed	\$24.00
Sugar Beets	\$50.00
Non-irrigated rape, safflower, mustard, beans, Peas, alfalfa seed and corn	\$12.00
Any hay crop, irrigated or non-irrigated	\$12.00

Hail Liability will continue in force on grain after it has been bound, shocked or windrowed until the insured has had a reasonable time to complete threshing or combining.

Hail Insurance for Shareholders. If all shareholders in any crop desire hail insurance, each is limited in his share per acre in proportion to the share each owns of the whole crop. If other shareholders do not desire hail insurance any shareholder may insure his share for the limit allowed per acre.

When Not to File Loss Claims. Each year a larger number of loss claims are filed where little or no hail loss can be found. A careful examination may show a little damage by hessian fly or wheat stem maggot. Or maybe kinked heads or wheat stem sawfly. This damage was overlooked before the storm and was increased by the strong winds accompanying it. None of it is caused by hail. Examination of these fields cost your hail department a lot of unnecessary expense which can be saved by a more careful examination of the fields by the insured.

ADJUSTMENTS OF HAIL LOSSES will be made by adjusters who have had lots of experience in farming and the adjusting of hail losses. Their experience enables them to estimate the loss accurately. They are instructed to give every claim careful consideration and they will fully cooperate with the grain growers in adjusting all losses.

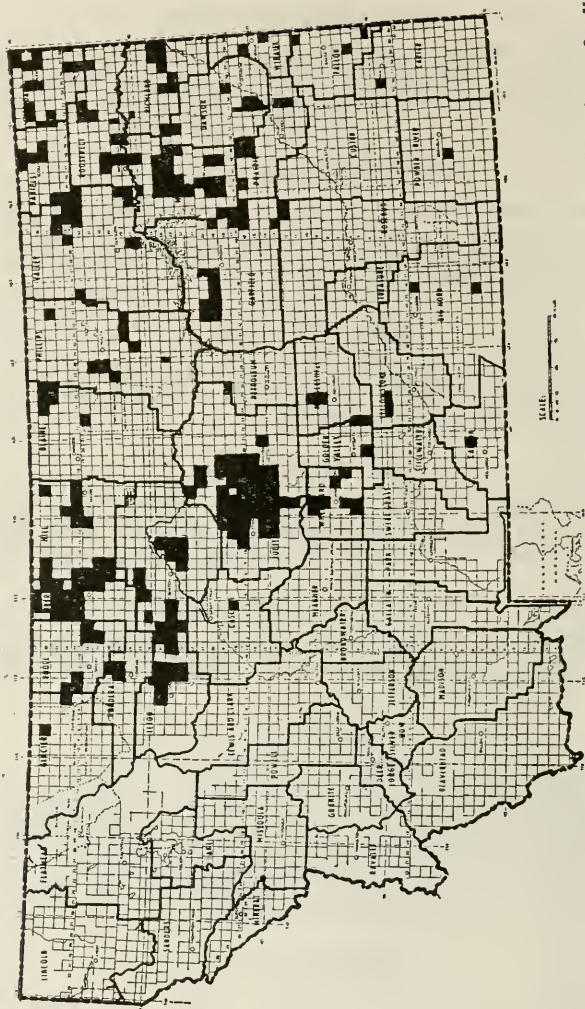
State Hail Insurance liability expires after September 15 on grain and other crops, except sugar beets which expires after September 30.

Reduced Rates in Case of Crop Failure. If any insured crop is badly damaged by other cause than hail and the value of said crop does not exceed \$5.00 per acre, you should notify the State Board of Hail Insurance in Helena promptly or you could ask your assessor for a form to make a report on. Prompt action is very important since the amount of your reduction is determined by the date on which you ask for a reduction.

When to File Claims for Hail Loss. When any insured crop is believed to be damaged at least 5%, the insured must mail a claim for such loss to the State Board of Hail Insurance at Helena, Montana, within three days. If notice of loss is not received within three days, the cost of adjustment may, at the discretion of the Board be charged to the claimant, unless the Board deems the delay excuseable.

Loss claims must be made out by the claimant and signed by him. Loss notices sent in by the assessor and signed by him cannot be accepted.

Your assistance in promptly reporting losses is earnestly solicited.



The shaded areas on this map show the location of all state loss claims filed for the 1974 season.

It is the duty of county assessors to furnish grain growers with full information on State Hail Insurance. This pamphlet is issued for the purpose of helping them do so. It furnishes full information on the operations of the State Hail Department.

Hail Insurance Is a Necessary Cost of Raising Grain

As soon as your crops show a prospect of a fair yield, you should see your assessor and apply for State Hail Insurance. This pamphlet was issued by the

STATE BOARD OF HAIL INSURANCE
 1300 Block Cedar Street
 Airport Way Bldg. West
 Helena, Mont. 59601
 Telephone No. 449-3730

